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MASSACHUSETTS OFFICE OF BUSINESS DEVELOPMENT • *annual report*

INTRODUCTION

Established in 1987, the Massachusetts Office of Business Development (MOBD) has a broad mandate to promote economic development and to expand all sectors of the state's economy by capitalizing on the technical, industrial, educational, manufacturing, cultural and geographic advantages of the Commonwealth.

At MOBD, businesses will find a team of economic development specialists committed to responding individually to their needs. MOBD provides a full and effective range of business services to Massachusetts companies and serves as the single contact for all companies interested in expanding or locating in the Commonwealth.

MOBD's five regional business centers and satellite operations provide a full array of services which include:

- Professional responses to all business inquiries;
- Facilitation of the regulatory, permitting and licensing processes;
- Accessibility to federal, state, local and private financial resources;
- General information on starting a business in the Commonwealth;
- Identification of training and recruitment resources;
- Site selection service;
- Focused industry and geographic specialization; and
- One-stop environmental permitting.

MOBD is also the agency principally responsible for the Economic Development Incentive Program (EDIP). The EDIP was designed to stimulate job creation and investment in distressed areas, attract new business, encourage existing businesses to expand and to increase overall economic development readiness.

MOBD is committed to helping businesses succeed in Massachusetts. In Fiscal Year 1996 alone, MOBD assisted in creating 8,194 jobs and retaining another 22,058 for the Commonwealth of Massachusetts. Please continue on for a more detailed history of Fiscal Year 1996.

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GOVERNMENT DOCUMENTS
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DAVID A. TIBBETTS



The Weld-Cellucci Administration working with the Legislature has made great strides this Fiscal Year in creating a more business-friendly environment in Massachusetts. Since 1991 Governor William F. Weld has signed 15 tax cuts into law, nine targeted to the business community. This year marked the passage of the "Single Sales" tax cuts for the defense industry and the mutual fund industry. This law will change the corporate excise tax for job-creating companies to base rates on a firm's in-state sales only and removes the tax penalties these companies currently face when they create jobs or increase investments in the Commonwealth. This tax cut will be phased in over five years for all manufacturers.

Worker's compensation rates have been reduced by double digit decreases three times since 1994. That's a combined savings to employers of \$1 billion, which is money that businesses can now spend on expanding their facilities or hiring new employees.

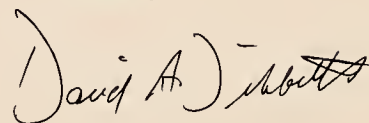
Another area where we have made progress is in the cost of unemployment insurance. Rates for employers have been frozen for the last three years in a row. The Weld-Cellucci Administration has proposed reforms of the unemployment insurance system and if enacted by the state Legislature, would reduce costs and bring Massachusetts in line with other states.

The Administration is also committed to lowering the costs of doing business by working to restructure the electric utility industry and introduce competition into the marketplace. The Massachusetts Office of Business Development (MOBD) has lived up to its slogan as the business community's "one-stop shop" for all state business assistance. MOBD regional offices across the state guide companies through the state permitting process, site location, financing assistance, job training programs and various other services.

The Massachusetts economy is strong, our unemployment rate is the lowest in seven years. That means more people are back to work and businesses are growing and creating jobs right here in Massachusetts.

We will continue our efforts in Fiscal Year 1997 to reduce the costs of doing business in the Bay State and will push for even more reforms to improve the Massachusetts business climate.

Sincerely,



David A. Tibbetts
Director of Economic Development



Fiscal Year 1996 was a very busy and successful year for the Massachusetts Office of Business Development (MOBD). 1996 represented another year of growth and maturity for the agency, promoting our mission of creating jobs. This year MOBD has worked with 243 (surpassing our goal of 225) companies to assist them to create 8,223 Massachusetts jobs and retain 22,029 jobs.

When I think back over this past year, two things stand out in particular: The Economic Development Incentive Program (EDIP) assisted 103 companies that invested \$841 million, created 6,309 jobs and retained 16,527 existing jobs in the Commonwealth. This program has been successful because the state, communities and businesses all work together. It is a win-win situation for all those involved and for the Commonwealth's economy as a whole.

Manufacturers' Week (June 10-14) was a tremendous success across the entire state. The week was enthusiastically endorsed by manufacturers, chambers of commerce, local communities and by state officials and industry organizations. The events of the week communicated the real commitment that state government, Massachusetts companies and the local communities have in keeping the manufacturing industry alive and well in the Bay State. This was the first time Massachusetts has set aside a week to celebrate the manufacturing industry and we anticipate this becoming an annual event.

I want to take this time to thank the team at the Massachusetts Office of Business Development for their dedication and focus. It is because of their hard work and commitment to serving the state's business community that MOBD has achieved the goals set for Fiscal Year 1996.

Sincerely,

A handwritten signature in cursive script that reads "John R. Regan".

John R. Regan, Executive Director
Massachusetts Office of Business Development

MARKETING & COMMUNICATIONS

SALES AND SERVICE

Establishing a new operation or expanding a business in Massachusetts does not have to be a complex and lengthy process if you are working with MOBD. Businesses working with MOBD receive hands-on practical assistance. Our objective is to act as a one-stop shop for all of a company's needs. From the moment MOBD receives a call from a company looking for assistance, a project manager is assigned to the case from beginning to end. In Fiscal Year 1996, MOBD received 244 company leads through its 1-800 number alone. Many of these leads became active projects. Another 1,924 leads were received through MOBD's main switchboard. Each of those callers received a detailed package of literature on doing business in the Commonwealth.

This year, the Marketing & Communications team has taken a more active role in company case-work. At MOBD, once a project manager has assessed a company's needs, that person will now work with the Marketing & Communications team to produce a detailed and professional proposal. This new internal process allows for efficiency as well as a quick turnaround time.

MOBD ON-LINE

In August of 1995, MOBD went on-line with its services on the Internet's World Wide Web. The *Business Assistance Guide* can be reached through most commercial on-line services and all dial-up Internet connections. In Fiscal Year 1996 MOBD received 150 requests for information through the web.

1996 TRADE SHOWS

MOBD participated in 28 trade shows and expositions in Fiscal Year 1996. Industry Specialists as well as regional business centers each took part in these events. MOBD co-sponsored The Massachusetts Marketplace, an exhibition of locally made food and agricultural products with 100 different displays held at the Elm Bank Reservation in Dover. MOBD also co-sponsored The Massachusetts Plastics Summit held in Fitchburg, which highlighted Massachusetts' skilled workforce, research & development capabilities and strong vendor base in the plastics industry. The Plastics Summit also heightened the awareness of the significant impact that the plastics industry has on the Massachusetts economy.

DIRECT MAIL

In Fiscal Year 1996 MOBD's direct marketing program promoted the positive development of the business environment in Massachusetts. The program included nine separate mailings to over 15,000 companies across the United States, detailing the many advantages of Massachusetts.

BREAKFAST SEMINARS

MOBD's "Build A Better Business" breakfast seminars provided an opportunity for in-state manufacturing companies to learn more about the incentives and programs available to them. Seminars were held in each region of the state with attendance ranging from 100-125. The Beloit Corporation, Genus Corporation, Applied Fiberoptics, Inc., Globe Rubber Works and Crown Vantage participated in each of the case presentations. The success of this series will lead to an increase in MOBD name recognition and new case leads.

CASE STUDY: AFC Cable Systems



AFC

CABLE SYSTEMS

AFC Cable Systems has been doing business in Massachusetts since its founding in 1926.

As a leading designer, manufacturer

and supplier of

electrical distribution products, AFC has customers throughout the United States and around the world. In fact, this summer's Centennial Summer Olympic Games in Atlanta were made possible in part due to electrical cables created by AFC and installed in Atlanta's Olympic Stadium and Georgia Dome.

MOBD learned in early 1995 that AFC was looking to expand and to consolidate its many divisions within New Bedford into one central location. With additional operations in California, Texas, Florida, Pennsylvania, New Jersey and Ohio, the company could easily have relocated outside of Massachusetts.

In order to save the 180 highly-skilled jobs, MOBD went to work. New Bedford is part of the Greater New Bedford Economic Target Area (ETA) which means that AFC could easily take advantage of many local and state tax incentives under the state's Economic Development Incentive Program (EDIP).

AFC moved forward with its expansion plans by viewing sites including the former White Rock Soda Building in New Bedford's industrial park. This location would allow AFC to consolidate its leased facilities throughout the city of New Bedford and provide for future expansion.

MOBD acted quickly to convince AFC that Massachusetts was the place for them to stay and to continue doing business. MOBD stressed the Economic Development Incentive Program's 10% Abandoned Building Tax Deduction, 5% State Investment Tax Credit and Tax Increment Financing incentive through the local community. These benefits proved to be influential in AFC's announcement in early 1996 that they would purchase the 100,000 square foot building and stay in New Bedford thus becoming the first Certified Project for the city.

Additionally, a call was placed to the Massachusetts Development Finance Agency (MDFA) for funding for the project. MDFA approved a \$3.26 million, tax-exempt industrial development bond to be used for the purchase and renovation of the facility. AFC's decision to stay and expand in New Bedford is expected to bring as many as 40 new jobs to the city.



CASE STUDY: The GEM Group Inc.

Founded in 1958, The GEM Group is a leading supplier of advertising and promotional products including travel and athletic bags and apparel for the advertising and retail industries. It is one of the largest silk screen printers in the United States with annual sales of well over \$30 million. In 1994, the company added two new specialty services to its capabilities – printing and embroidering custom apparel. In order to accommodate its growth into new markets, The GEM Group began searching for a larger location in which to consolidate its operations along with 180 employees.

MOBD met with company officials in July of 1995 to discuss plans for future expansion which included financing needs. MOBD's Northeast Business Center introduced The GEM Group to the newly developed, 77 acre Lawrence Riverfront Industrial Park which is also home to companies such as New Balance and Techprint. The Northeast Business Center also assisted the company in entering into negotiations with the city of Lawrence for additional incentives including a loan guarantee through the Department of Housing and Urban Development.

The Massachusetts Development Finance Agency (MDFA), an independent public agency created to promote economic growth through a variety of financing tools, approved a \$4.2 million Tax Exempt Industrial Development Bond for the construction of the new facility as well as for the acquisition of new equipment.

The GEM Group was able to take advantage of the state's Economic Development Incentive Program (EDIP) administered by MOBD, which resulted in additional support for the company's expansion. A Tax Increment Financing (TIF) agreement was approved and will allow for real estate tax savings. Additionally, the company will take advantage of the 5% Investment Tax Credit on their entire \$5.6 million investment in new construction and equipment.

THE
GEMGROUP
INCORPORATED

CASE STUDY: Erie Plastics

Erie Plastics is a 36-year-old veteran of the plastics industry. Based in Corry, Pennsylvania, the company has evolved to become a technology-driven molder of high volume, custom injection-molded plastic parts for the plastic packaging industry. Products include a variety of packaging for such blue-chip clients as Gillette, Proctor & Gamble, Wyeth, Coca-Cola and Zippo.

In 1995, a surge in new business prompted Erie Plastics to expand. The company embarked on an intense site-selection process, scrutinizing over 50 sites in seven states. Given the criteria for the new facility, a highly-skilled workforce, strategic location and advantageous business environment, Massachusetts was clearly the front runner.

When the call from Erie Plastics came in to the Central Massachusetts Business Center of the Massachusetts Office of Business Development (MOBD), a team of state and local economic development agencies was assembled. The team included the Massachusetts Alliance for Economic Development, the Massachusetts Electric Company, the Division of Employment and Training, the Massachusetts Manufacturing Partnership and the Massachusetts Development Finance Agency.

After conducting a comprehensive site search, Erie Plastics was presented with an ideal location in Westborough, Massachusetts. The 76,128 square-foot facility was expandable, with close proximity to Interstate 495 and rail access to serve the company's shipping and transportation needs.

Erie Plastics was then presented with a proposal by MOBD detailing all of the incentives available to them. Working with the Massachusetts Attorney

General's Office and the Division of Employment and Training, MOBD set up a series of workshops for representatives of Erie Plastics to learn more about



operating a manufacturing business in Massachusetts. At the local level, the community of Westborough reinforced the state's pro-business attitude by offering a streamlined permitting process and a "single tax rate."

The Bay State's thriving plastics industry was a key factor in the decision making process. Massachusetts saw the first broad commercial application of plastics technology – the American plastics industry began in a Leominster comb-making factory back in the late 19th century. Today, the state has a workforce skilled in plastics manufacturing with excellent research and development capabilities as well as a strong vendor base. The recent Massachusetts Plastics Summit, co-sponsored by MOBD, is testimony to the state's recognition of this industry's importance.

Erie Plastics and the town of Westborough will celebrate the opening of their new facility with a ribbon-cutting in October, 1996. By that time, the company will have invested well over \$3 million in Massachusetts. Their decision to locate in the Bay State will lead to the creation of 50-70 new, full-time manufacturing jobs. (continued)

CASE STUDY: Erie Plastics (continued)

Opening a new facility is an involved and challenging process. "The open line of communication with the Massachusetts Office of Business Development was extremely important," says Brian Bucher, Vice President of Finance for Erie Plastics. "MOBD was able

to pull together all of the available resources to maximize the state's incentive potential. When you combine clear communication with a competitive package, the result is a win for everyone involved."

ADDITIONAL INCENTIVES PRESENTED TO ERIE PLASTICS

Through The Massachusetts Office of Business Development

The Massachusetts Electric Company provided Demand-Side Management incentives which are designed to benefit companies installing innovative, energy-efficient equipment in their facilities. They also upgraded service to the building and provided other economic development incentives.

The Massachusetts Division of Employment and Training demonstrated the amount of assistance available for employee training including the Tactical Training Initiative (TTI) grant program. TTI assists manufacturers by financing a portion of education and skills training for production line employees.

The Massachusetts Alliance for Economic Development conducted three separate site searches through its statewide Site Finder Service providing detailed information on over twenty-five existing facilities.

CASE STUDY: LaVigne Press

LaVigne Press is the oldest continuous commercial printing operation in the City of Worcester. Originally established in 1898 by the LaVigne family, it has been family owned and controlled for almost 100 years. The company performs printing for a broad base of commercial, industrial and non-profit clients predominately in Central and Eastern Massachusetts. Additionally, LaVigne Press' newly formed on demand printing division, LaVigne Digiprint, has the unique capability to print high quality, four-color images directly from a computer disk. LaVigne Press employs skilled, high-wage employees who work in a state-of-the-art facility using technologically advanced equipment.

In 1982, LaVigne Press moved to its current 30,000 square foot facility in the Worcester Airport Industrial Park. The company's need for additional space to accommodate their fast growth prompted a telephone call to the Central Massachusetts Business Center. Although the company was considering a relocation, MOBD worked with the City of Worcester to present a detailed package of incentives, including the option to negotiate a 20-year Tax Increment



Financing (TIF) agreement if the company were to expand at its current site. Additionally, through the Economic Development Incentive Program (EDIP), LaVigne Press would take advantage of a 5% Investment Tax Credit against all future state income taxes.

The proposed expansion of LaVigne Press' operation would encompass a 15,000 square foot addition to their facility (a 50% increase in its maximum capacity) and the purchase of new printing equipment. Working closely with the City of Worcester, and the Massachusetts Development Finance Agency, MOBD was able to assist LaVigne Press in obtaining a \$2.1 million Industrial Development Bond to be used for the project.

LaVigne Press' decision to stay in Worcester will retain 100 jobs in the city and will create another 20 full-time positions. Company plans include over a million dollars in computer equipment, plant expansion and training and the company hopes to continue to grow at a rate of approximately 10-15% for the foreseeable future. The efforts of MOBD, combined with the City of Worcester and the Massachusetts Development Finance Agency, will help the century-old company carry out its aggressive growth plans in order to remain competitive in the global marketplace.



CASE STUDY: Lunt Silversmiths

Lunt Silversmiths is a family owned business that was founded in 1902 in Greenfield and is now managed by the fourth generation of the Lunt family. The company is a world renowned manufacturer of fine sterling and silverplated products. Lunt silver tea-sets hold places of prominence in U.S. Embassies around the world and in homes across the country.

Representatives of MOBD and the Franklin County Commission first met with Lunt Silversmiths in November of 1995 to discuss Lunt's forthcoming expansion plans. The discussion that followed focused primarily on the possibility of creating an Economic Opportunity Area for an expansion in the already existing Franklin County Economic Target Area. The expansion would include a retail design center, an archival museum, a new restaurant and a cultural courtyard for events. Additionally, the company had outstanding issues regarding future signage needs for easy access to their facility.

MOBD assisted Lunt Silversmiths in becoming a Certified Project as part of the Economic Development Assistance Program. As a result,



Lunt was able to create 50 new jobs and invest \$5.5 million while retaining 116 positions. As a Certified Project, Lunt Silversmiths received a 5% state Investment Tax Credit and ten year Tax Increment Financing plan from the town of Greenfield for their new Design Center & Marketplace.

The Design Center & Marketplace is a 12,500 square foot educational facility and place of commerce. The entire campus including the lovely silver gardens and courtyard totals 35,000 square feet. Tourists will be drawn by the opportunity to view the silversmithing process through a glass-enclosed cutaway of the factory that serves as a window into the world of fine craftsmanship. In other areas of the facility visitors can watch other artisans, such as weavers and glassblowers practicing their crafts. The Design Center also boasts an 88 seat restaurant named Artisan's Cafe that is open seven days a week and already is a success in town with locals and tourists alike. The Design Center is expected to generate annual sales between \$3-5 million from the anticipated 200,000 annual visitors.



CASE STUDY: Peterson Spring Company

The Peterson Spring Company is an international manufacturer of finished steel products, including automotive valve springs, generating annual sales of approximately \$100 million. In the fall of 1995, the company began working with MOBD to explore the possibility of relocating to a more appropriate facility. Working with MOBD's Central Massachusetts Business Center, the company identified a site in Northborough that would not only suit their manufacturing needs, but would also be a fairly easy commute for their existing work force.

The new property, formerly home to 300 Raytheon employees, presented many opportunities for Peterson Spring. The town of Northborough had recently become a partner in the Framingham/Marlborough Economic Target Area (ETA). As a result, Peterson Spring was able to take advantage of Certified Project designation through the Economic Development Incentive Program (EDIP) leading to extensive tax benefits and incentives including a 10% Abandoned Building Tax Deduction, a 5% State Investment Tax Credit for tangible, depreciable investments and a six-year Tax Increment Financing plan.

The Central Massachusetts Business Center was also able to coordinate financial assistance through the Massachusetts Development Finance Agency which approved \$3,550,000 in tax-exempt bond financing for the rehabilitation of the building and the purchase of new equipment. The services of the Central Massachusetts Manufacturing Partnership were also introduced to improve the competitiveness of the company by designing a more effective shop floor layout and machine set-up for the new site.

The commitment of the Central Massachusetts Business Center and the community of Northborough, together with the support of various other agencies, has led to the successful relocation of Peterson Spring. This \$3.85 million investment in the community of Northborough will lead to 10 new jobs for the town in addition to the 35 jobs retained.



PETERSON SPRING
A Peterson American Company

ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

A COMMITMENT TO COMMUNITIES

With the enactment of Chapter 19 of the Acts of 1993, Governor Weld, Lieutenant Governor Cellucci and the state Legislature inaugurated the Massachusetts Economic Development Incentive Program (EDIP). The EDIP, which completed its second full year of implementation, is designed to stimulate job creation in distressed areas, attract new businesses, encourage existing businesses to grow and expand, and increase the overall economic development awareness and readiness of cities and towns across the Commonwealth. To date, a total of 133 communities have embarked on an economic development planning process through the EDIP. In conjunction with the state, these communities have established economic development goals and priorities, collaborating with neighboring communities and the private sector, and working to streamline local permitting and regulatory processes.

The EDIP represents a tri-part working relationship among businesses, municipalities and the Commonwealth. Businesses and communities negotiate a local real estate tax incentive agreement (either Tax Increment Financing or a Special Tax Assessment). These businesses are then eligible to take advantage of the state's enhanced 5% Investment Tax Credit and, where applicable, the state's 10% Abandoned Building Tax Deduction. In addition, the state has begun to target capital funding for the participating communities (i.e. Public Works for Economic Development funds through the

Executive Office of Transportation and Construction, and Community Development Action Grants through the Department of Housing and Community Development.)

The Economic Assistance Coordinating Council (EACC), a thirteen-member public-private council established to administer the EDIP, is charged with the review and approval of applications submitted by the participating communities for designation of Economic Target Areas, Economic Opportunity Areas, Certified Projects and "Exceptional Opportunities."

ECONOMIC TARGET AREA

An Economic Target Area (ETA) is three or more contiguous Census Tracts in one or more municipalities, which must meet at least one of six criteria based on needs and distress levels. In Fiscal Year 1996, the EACC approved its last ETA. By statute, there can be a maximum of 34 ETAs. The EACC also approved one amendment to an existing ETA in Fiscal Year 1996.



ECONOMIC DEVELOPMENT INCENTIVE PROGRAM

ECONOMIC OPPORTUNITY AREA

An Economic Opportunity Area (EOA) is an area within an ETA which has particular needs and priorities for economic development. Without the incentives offered in the EDIP, these areas may not see growth or revitalization. An EOA can be as small as one real estate parcel or as large as an entire community. In Fiscal Year 1996, the EACC approved 96 EOAs.

CERTIFIED PROJECT

A Certified Project is a business which is expanding within, or relocating to, an EOA and is creating new permanent full-time jobs in the Commonwealth. Certified Projects are designated and approved by the host municipality and then by the EACC. In order to take advantage of the state tax incentives, municipalities must offer to Certified Project applicants one of two types of local property tax incentives - Tax Increment Financing or a Special Tax Assessment. In Fiscal Year 1996, the EACC approved 76 Certified Projects in 33 communities.

EXCEPTIONAL OPPORTUNITY

An "Exceptional Opportunity" is a business which is either relocating to Massachusetts or expanding its existing operations within the Commonwealth and (1) adding at least 100 new permanent full-time jobs or (2) increasing its current job level by at least 50%. This provision is designed for businesses with large-scale projects which are not located within an EOA. In Fiscal Year 1996, the EACC approved two "Exceptional Opportunities."

In Fiscal Year 1996, the EDIP was instrumental in the creation of 3,360 new permanent full-time jobs and nearly \$500 million in private investment, while retaining over 8,583 jobs in the Commonwealth. Since full implementation of the EDIP in January 1994, a total of 6,309 new permanent full-time jobs have been created, 16,527 jobs have been retained and over \$841 million in private investments have been made in the Commonwealth.

1996 MANUEL CARBALLO GOVERNOR'S AWARD

The Massachusetts Office of Business Development (MOBD) is proud to congratulate Karen Baptiste, Director of the Economic Assistance Coordinating Council, on receiving the *1996 Manuel Carballo Governor's Award for Excellence in Public Service*.

Manuel Carballo's commitment to excellence in government lives on in the ideals of dedicated state workers. He believed that state employment was not "just a job." This award, named in honor of the late Secretary of Human Services, is given annually to no more than ten employees who exemplify the highest standards of public service.



MANUFACTURERS' WEEK

To showcase Massachusetts' manufacturing industries and to give them some well-deserved recognition for their contribution to our state and local economies, MOBD assisted in the creation and coordination of the first annual Massachusetts Manufacturers' Week. Governor William F. Weld and Lieutenant Governor Paul Cellucci issued a proclamation that the celebration of manufacturing be held the week of June 10-14th, 1996.

Over 60 events were held in 40 communities throughout the state. Events included plant tours, several "company recognition" receptions, business assistance seminars on financing and new technologies and even a study on manufacturers by high school students. Our partners in planning the series of events were the Massachusetts Manufacturing Partnership, the Bay State Skills Corporation, the Associated Industries of Massachusetts, Chambers of Commerce, Trade Associations, cities and towns, and the many manufacturers of Massachusetts.

Over 150 manufacturing companies contributed their products to an "Assemblage of Products Manufactured in Massachusetts" which was unveiled during the Opening Ceremonies in the Great Hall of the Statehouse. The sculpture is a work in progress that will be added upon every year to reflect the development of manufacturing in Massachusetts.

Manufacturers' Week was successful in increasing the awareness of legislators, local officials and the general public on the importance of the contributions of manufacturing companies to our communities and the importance of manufacturing to providing high-wage, high-



skills jobs that significantly contribute to a high standard of living for the residents of the state.

ASSISTANCE TO MANUFACTURERS

The Massachusetts Manufacturing Partnership (MMP) is an integral part of the Commonwealth's set of policies and services to support Massachusetts manufacturers. The MMP is a critical, unbiased resource for Massachusetts' manufacturing base which is made up of approximately 13,000 companies that employ over 453,000 people. The MMP provides access to a vast array of customized manufacturing technology, and business services for small to medium sized manufacturers. With five regional offices, the MMP designs practical projects that produce bottom line results for local manufacturers. Individual and group projects increase the companies ability to compete in a global economy by supporting them in their efforts to work Better, Faster, Cheaper, and environmentally Cleaner. (continued)

MANUFACTURING DIVISION (continued)

From July 1995 to June 1996, the MMP worked with 1305 companies which included 530 in-depth technical assistance projects on such manufacturing issues as cell manufacturing, shop floor layout and computer numerical control (CNC) processes. During this time period the companies which worked with MMP achieved the following results:

<i>Increased sales:</i>	\$19,458,358
<i>Documented cost savings:</i>	\$2,073,067
<i>Company investment in Process, Products, People:</i>	\$9,732,061
<hr/>	
<i>Total economic impact:</i>	\$31,263,486

According to Paul Kennedy, President of Kennedy Die Castings, Inc. of Worcester, "The MMP has succeeded in affecting bottom line results on the manufacturing shop floor in a non-bureaucratic and cost-effective way."

The MMP is a public/private partnership between the Department of Economic Development, the Massachusetts Office of Business Development, the Bay State Skills Corporation, the U.S. Department of Commerce's National Institute of Standards and Technology (NIST), and local manufacturers of Massachusetts.

The Massachusetts Office of Business Development also works with companies directly, as well as through the MMP, and completed projects with 180 manufacturing companies on such issues as financing, permitting, site selection, and job training assistance. These efforts resulted in the creation of 5,034 jobs and the retention of 18,835 jobs in the manufacturing sector.

MANUFACTURING STATISTICS

- **MASSACHUSETTS MANUFACTURERS ARE SMALL BUSINESSES.**
- **61% EMPLOY UNDER 10 PEOPLE
87% EMPLOY UNDER 50 PEOPLE**
- **ONE OUT OF EVERY SEVEN JOBS IN THE COMMONWEALTH IS IN MANUFACTURING.**
- **MANUFACTURING PRODUCES \$21.8 BILLION WORTH OF GOODS FOR THE MASSACHUSETTS ECONOMY, PROVIDING THE LARGEST SHARE (22%) OF OUR GROSS STATE PRODUCT.**
- **MANUFACTURING JOBS PAY AN AVERAGE OF \$38,674, WHICH IS 25% ABOVE THE STATE AVERAGE.**
- **MANUFACTURING HAS THE LARGEST PAYROLL OF ANY INDUSTRY IN MASSACHUSETTS, PROVIDING \$12 BILLION IN WAGES.**
- **ACCORDING TO THE 1995 ECONOMIC REPORT, EACH NEW MANUFACTURING JOB CREATES 1.5 ADDITIONAL NEW JOBS IN THE STATE.**

The Office of Defense Adjustment Strategy (ODAS), which received financial support from the Office of Economic Adjustment within the U.S. Department of Defense, has completed the Defense Strategy Project. The project began in 1994 in response to the dramatic federal defense spending reductions which compromised the vitality of many Massachusetts businesses. These reductions have forced the once thriving Massachusetts defense industry into a period of restructuring and re-engineering. Over the past several years, MOBD has worked to respond to a perplexing economic dilemma: how to assist the transition of a significant portion of the Commonwealth's economy away from a declining defense market that had once been a great source of economic growth and success.

The Defense Adjustment Strategy Project began with the compilation of a list of over 7,500 defense contractors and subcontractors in the state. These companies were then sent surveys designed to provide an assessment and comprehensive picture of the condition and needs of the defense industry from the viewpoint of those most directly affected. The surveys included a "Request for Information on Assistance" page which the companies could complete and fax to MOBD for immediate assistance on any business-related issue. MOBD responded to over 200 of these requests, mailed information on Massachusetts assistance programs and services and contacted each company for additional follow-up.

Over 560 companies responded to the survey questionnaire, giving us a statistically acceptable return of 17% of major subcontractors and 8% of minor subcontractors. Respondents came from across the state. However, the majority were located in the Greater Boston area and the area northwest of Route 128. Metalworking

and electronics were the largest industry sectors represented. The survey data was compiled and analyzed by the Center for Industrial Competitiveness (CIC) at the University of Massachusetts at Lowell, under the direction of Dr. Michael Best.

This data was incorporated, with background research and analysis that had been conducted by the University of Massachusetts and others on the relevant issues, options and arguments affecting public policy in this area, into a statewide strategy document called *Defense Adjustment in Massachusetts: Issues and Opportunities for the Commonwealth*. The document was prepared under contract with the Bay State Skills Corporation and the Massachusetts Manufacturing Partnership, who brought an extensive, real world knowledge of Massachusetts manufacturers who are adapting to defense reductions coinciding with competition in changing national and global economies.

The study concludes that, on the whole, Massachusetts' efforts to address the needs of defense-dependent companies through business assistance services have been on target. Yet, opportunities were identified for the Commonwealth to continue to foster economic growth for industry, specifically those businesses impacted by defense reductions. The various "Recommendations for Action" include a focus on market diversification and new market identification assistance, targeting resources for employed worker retraining and developing and implementing a "best practices" workshop series.

ODAS also requested information from a number of federal and state agencies to gain a firm understanding of all possible programs which could be utilized for defense adjustment efforts. Matrices were developed to categorize

the types of assistance each state program offers to either businesses, communities or workers. This exercise produced three "Practitioner's Guides to Defense Adjustment Assistance." The first is targeted for economic development professionals who are dealing with impacted businesses, the second for those working with impacted communities and the third is for workers who have lost their jobs due to military cutbacks.

The results of this project will have a definite impact on the planning for programs and services offered by MOBD and the many quasi-public "resource links" to best serve the Massachusetts Defense Industry.

FOREIGN DIRECT INVESTMENT (FDI) IN THE BAY STATE

EUROPEAN AND CANADIAN COMPANIES MOVING TO MASSACHUSETTS

During Fiscal Year 1996, the International Marketing Department continued to focus its efforts on identifying leads and working to site international companies considering Massachusetts as a location for their operations. Companies were referred to MOBD from several sources: the agency's marketing/advertising programs, the network of six foreign offices (China, England, Israel, Germany, Mexico, Singapore) administered by the Massachusetts Port Authority and the Massachusetts Office of International Trade and Investment and from other state agencies or local consulates. Fifteen international companies chose to locate their operations in the Commonwealth, creating a total of 259 jobs. The Foreign Direct Investment (FDI) of these firms came from the United Kingdom, Germany, Canada, Sweden, France and Finland. Industries represented in Fiscal Year 1996 FDI include: software, computer hardware and components, printing machinery, and management/communications consulting.

FDI occurred throughout the state, from Greater Boston and the North Shore, to Western and Southeastern Massachusetts. Successfully sited companies benefitted from the direct assistance and coordinated activities of the International Marketing Department, working closely with MOBD's regional offices, and the foreign offices to provide the information and assistance they need to create jobs in Massachusetts.

Prospective foreign investors need assistance with many aspects of their decision to locate a manufacturing plant, sales office, US headquarters or other base of operations in the state. Often, a company will consider several states before

deciding on Massachusetts. MOBD provides critical information about the benefits of doing business in the state, as well as the tax structure and economic incentives during this stage of the company's decision-making. Once they have decided to locate here, they tap into MOBD's expertise in facilitating their relocation with site assistance, financing, permitting, and training resources assistance, in order to get the company up and running as quickly and smoothly as possible. In cooperation with MOITI and Massport, the state effort also includes helping companies identify potential partners and suppliers.

CASE STUDY: Schiffer Dental Care Products

Schiffer Dental Care Products was founded in Neustadt, Germany in 1887 as a manufacturer of toothbrushes and dental care products. The company has 450 employees and annual revenues of \$60 million. Schiffer was referred to MOBD by the Berlin foreign office, when the company was seeking a location for their first US manufacturing site. MOBD facilitated their site search for a location in West Springfield, and helped them secure a local zoning change that allowed for manufacturing at that site. In addition, MOBD connected them to local training and recruitment resources through the local Regional Employment Boards. Coordinated assistance for Schiffer resulted in 20 new jobs at the West Springfield site, which opened in January 1996.

INDUSTRY SPECIALIST PROGRAM UPDATE

The Industry Specialist Program provides selected industries with a single point of contact into state government. The program facilitates the growth of firms in each industry, advises the Administration on policies affecting participating industries and develops programs as appropriate. Now in its third year, each participating industry works with an appointed ombudsman.



The Industry Specialist guides companies through state regulations, is aware of state-related issues facing their industry and makes certain that the state is aware of any issues affecting the ability of an industry to grow in Massachusetts. The Industry Specialists coordinate their efforts with appropriate industry trade organizations that have been created to promote the objectives of the various

industries and to ensure efficient delivery of state services to member companies. MOBD currently works with the Massachusetts Biotechnology Council, the Massachusetts Telecommunications Council, the Environmental Business Council of New England, the Massachusetts Food Association, the Massachusetts Specialty Food Association, the Massachusetts Aquaculture Association and the Massachusetts Software Council.

During the past year, particular attention was paid to industry participation in export programs sponsored by the state, including participation in foreign trade missions. Additionally, great emphasis was placed on serving the training & recruitment and financing needs of the selected industries.



STRATEGIC ENVIROTECHNOLOGY PARTNERSHIP REPORT

The Strategic Envirotechnology Partnership (STEP) began in 1994 to promote the growth of environmental and energy efficient technologies in Massachusetts. Its goal is to keep Massachusetts at the forefront of the environmental industry and to allow Massachusetts citizens to reap the benefits associated with the success of new envirotechnologies. This service is designed to help companies overcome the barriers that they may encounter when commercializing a new environmental product.

STEP offers business planning assistance, third party technology assessment, expedited permitting and guidance, pilot and showcase demonstrations and technology transfer assistance. Through MOBD, STEP's services can be tailored to address a company's specific needs.

MOBD's Envirotechnologies Industry Specialist continues to work with many of these companies offering business assistance. The following companies received assistance through STEP in Fiscal Year 1996:

AIRXPERT SYSTEMS, LEXINGTON:

AirXpert is a private corporation working on the development, manufacturing and marketing of equipment for indoor environmental management, specifically indoor air quality.

BLUE STAR TECHNOLOGIES, LEXINGTON:

Blue Star has developed a catalytic water treatment system which claims to reduce boiler scaling and corrosion.

CELLINI PURIFICATION SYSTEMS, INC., LUDLOW:

Cellini Purification Systems has developed a comprehensive approach to chemical recovery utilizing its own technology which uses various aspects of flash distillation and vacuum evaporation technologies.

ENVIRONMENTAL MANAGEMENT TECHNOLOGIES, INC., MILTON:

EMT is a private corporation established to develop, manufacture and market equipment for computer based monitoring of fossil fuel underground storage tanks.

THE FILTER CLEAN COMPANY, BOSTON:

The Filter Clean Company operates a facility which utilizes a "dry" air filter cleaning process.

SOLMETEX INC., WALPOLE:

SolmeteX has developed a new technology called Chromatography:X for the removal of toxic, heavy metals from process and wastewater, groundwater and drainage water.

URBAN CONTAMINATION, INC., NEWTON:

A start-up environmental services company with a mission to provide on-site soil analysis to environmental consultants and contractors using new and innovative field screening technologies.

The Minority Economic and Community Development (MECD) grant program is the focal point of MOBD's activities in the minority-owned business community. This grant program serves as much more than an underwriting source for community-based programs. The MECD grant program is a catalyst for initiatives aimed at building the infrastructure necessary for sustainable long-term competitiveness within this business community.

In Fiscal Year 1996, the Legislature appropriated \$495,000 for the MECD program. The appropriation was targeted to the identification and subsequent financial support of strategies that met the program's primary objective, strengthening the minority-owned business community. The program leveraged an additional \$1,187,645 from private financial sources, making a total of \$1,682,645 available for the program's goals. From the twenty-two program applicants, eight awards were made ranging from \$20,000 to \$100,324. The awards underwrote a wide spectrum of initiatives ranging from the development of core managerial and financial skills to industry specific initiatives within the health care industry.

An MECD program highlight was the collaborative effort between MOBD, the Department of Economic Development and the William Monroe Trotter Institute. This collaboration began to identify remedial strategies for stimulating private sector activities within the minority-owned business community. These strategies evolved from a series of economic fora held in the cities of Springfield, Worcester, New Bedford, Lowell, Lawrence and Boston. One hundred and seventy-five individuals representing municipal and state government officials, community-based organizations, corporations, higher education and labor organizations participated. The ensuing dialogue underscored

the need to utilize more effectively the physical and human resources available within the targeted cities. Participants discussed the creation of stipulations that would facilitate the long-term retention of new capital investment in these cities, especially in the more economically distressed areas. The participants also recognized the need to eliminate the domestic and international economic isolation of small, especially minority-owned, businesses. The participants expressed their belief that Massachusetts' growing diverse population represented an opportunity to position the Commonwealth to exploit more fully the global marketplace.

MOBD continues its efforts towards expanding the capacity of small, especially minority and woman-owned, businesses. This year marked the statewide introduction of MOBD's Achieving the Competitive Advantage Program. The program's objective is to "jump-start" participating companies' productivity and profitability. The program exposes the established entrepreneur to more sophisticated managerial techniques with a deliberate focus on private sector market participation.

The full economic impact of the minority-owned business community has yet to be measured. MOBD maintains its commitment to bridge the gap between this entrepreneurial base and the larger business community, ultimately making all businesses equal participants in Massachusetts' economy.

After many months of work directed toward streamlining the state permitting process, MOBD combined forces with the Massachusetts Municipal Association to look at local permitting issues. Together, we invited representatives from virtually every state-wide municipal association to join the Municipal Permit Streamlining Advisory Committee.

The Advisory Committee produced an analysis of the problems and suggested solutions for improving local permitting. The report, *Permitting to Compete - Streamlining Your Process*, was distributed widely and formed the basis for draft legislation prepared by MOBD.

As currently presented, the local-option legislation includes provisions for a single point of contact (permit coordinator), a single application, application review, fixed timelines for review of all permits, coordination with state processes, consolidation of public hearings, consolidation of local boards, and a process for pre-permitting commercial sites. Presently, the legislation is out for comment across the state by any party with an interest in this issue. Many individuals, organizations and legislative officials expressed strong support and are clearly intent on seeing this project through to completion.

MOBD will continue to work with all interested parties to refine the legislation, develop a legislative strategy and build coalitions of support. Any questions are welcome, so please call MOBD to find out about this exciting initiative.



STATISTICS: First Quarter

The following charts offer a compilation of statistical information regarding economic development efforts throughout the Commonwealth.

TOTAL JOBS CREATED/RETAINED THROUGH MOBD EFFORTS:

First Quarter FY 1996 - 7/1/95 to 9/30/95

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
50 Franklin St., Ltd Partnership	3	3	Worcester	Real Estate
AIW	—	450	Attleboro	Manuf.-Wire & Cable
Bioshelters	10	10	Amherst	Fish Farm
Brooks Automation	100	180	Chelmsford	Manuf.-Robotics Equipment
Bull Electronics	—	600	Boston	Electronics
C & S Wholesale Grocers	500	—	Westfield	Wholesale, Trade
Cambridge Physics Outlet	—	5	Woburn	Manuf.-Physics Equipment
Cintas	50	—	Taunton	Comm. Laundry
Eagleston Square Development	20	—	Boston	Construction
Genus	60	140	Newburyport	Manuf.-Medical
GHD, Inc.	2	1	Wellesley	Mail order-allergy products
Hawthorne Spring Water	2	4	Swampscott	Water Bottler
Heat Fab, Inc.	—	35	Greenfield	Metal Fabrication
Injectronics, Inc.	7	100	Clinton	Plastics
Intl. Translation & Publishing	11	—	Cambridge	Software
Invantage	3	2	Boston	Manuf.-Computer Software
Ken's American Cafe	20	—	Littleton	Restaurant
Krolman	2	—	Charlestown	Computer Hardware
Milor	—	88	Florence	Plastic/Personal Care
MKS Instruments	75	150	Methuen	Manuf.-Measuring Instruments
Monitor Technologies	30	18	Chelmsford	Manuf.-Electronics
Mosely Corp.	27	57	Franklin	Manufacturing
New Frontier Plastics	2	6	W. Springfield	Plastics Recycling
Parlex	90	320	Methuen	Manuf.-Flexible Circuit Boards
PC Docs, Inc.	70	—	Burlington	Software
Pendulum Design	4	6	Waltham	Software Developer
Phoenix Metallurgical, Inc.	—	30	Hopedale	Manufacturing
Quirk Tire	15	40	Westboro	Automotive
S & S Intl. PLC	22	—	Burlington	Software
Spri-It, Inc.	20	130	Wakefield	Manuf.-Plastics
Varian Ion Implant Systems	125	940	Gloucester	Manuf.-Ion Implanters
Total	1,270	3,315		Total Companies: 31

STATISTICS: Second Quarter

TOTAL JOBS CREATED/RETAINED THROUGH MOBD EFFORTS:

Second Quarter FY 1996 - 10/1/95 to 12/31/95

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
Advanced Techcom, Inc.	55	98	Wilmington	Manuf.-Telecommunications
Allegro Microsystems	120	850	Worcester	Electronics
Amer Dryer	12	233	Fall River	Manuf.
ARC Technologies	10	30	Amesbury	Manuf.-Defense Prod.
ASE America, Inc.	100	100	Billerica	Manuf.-Photovoltaic cells
Assembly Resources	-	10	Chelmsford	Manuf.-Electronic
ATC Screw Machine	3	10	Haverhill	Manuf.-Machining
Bay Networks, Inc.	600	1,111	Billerica	Manuf.-Computer Net Equip.
Bickmore, Inc.	3	7	Hudson	Manuf.
Brew House of Danvers	80	-	Danvers	Manuf.-Beverage, Retail
Bryant Hotel	3	5	Brockton	Hospitality
C.P. Clare	100	200	Beverly	Semi-conductor reports
Cape Pond Ice Co.	-	4	Gloucester	Manuf.-Ice
Cardinal Health	-	270	Peabody	Distribution Health Care
CASTechnologies, Inc.	10	11	Attleboro	Manuf.-Precision metal castings
Catuogno Court Reporting/Sten Tel	20	-	Springfield	Communications
Chase Paper Co.	-	200	Westboro	Printing-Specialty
Christmas Tree Shops	400	100	Middleboro	Distribution
Comdel	15	40	Gloucester	Manuf.-Elec. circuit devices
Communications & Power	2	310	Beverly	Defense-Microwave
Converter Power, Inc.	50	125	Beverly	Maunf.-Power Conv. Sys.
Crosbys	27	23	Marblehead	Retail Grocery
Data Instruments	40	400	Acton	Manuf.-Safety Equip.
Deerfield Urethane, Inc.	50	56	Whately	Thermoplastic polyurethane film
Demetria Delights	5	17	N. Grafton	Food Products
Dighton Power Plant	15	-	Dighton	Power Generation
E.L. Harvey	46	128	Westboro	Waste Management
Ebsco	135	165	Ipswich	Manuf.-Software Indexes
Elatec Technology	20	20	Wilmington	Manuf.-Furnaces
Electro Fiberoptics	-	47	Marlboro	Fiberoptics
F&M Tool/Plastics	20	30	Leominster	Plastics
Georgia Pacific Co.	70	100	Bellingham	Distr.-Lumber
Hellas International	3	4	Salem	Importing Greek Oil
Hudson Valley Toyworks, Inc.	3	2	Holyoke	Woodworking
IBE Software	1	-	N. Grafton	Software
Janitech	105	300	Lawrence	Janitorial Services

STATISTICS: Second Quarter (continued)

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
Lewis, Inc.	5	—	Westboro	Public Relations-telecomm
LSR Technologies, Inc.	—	12	Acton	Envirotech
Market Solutions	5	—	Topsfield	Biotech
Merrimac Industrial Sales	16	32	Haverhill	Manuf./Dist.-Electronic
MicroEncoder	12	2	Needham	Electronics
New Balance	200	300	Lawrence	Manuf.-Footware
New Code Technology	—	8	Lowell	Software
Nokia Telecommunications	150	—	Burlington	Telecommunications
Peterson Spring	10	40	Northboro	Manuf.
Poly-Testing Inc.	2	19	Chicopee	Machine Coating/ Nonabrasive testing
Precision Technologies	5	20	Tyngboro	Manuf.-Machining
Production Tool & Grinding Inc.	9	10	Orange	Machine Tool
Pure USA, Inc.	3	—	Plymouth	Envirotech
Quaker Fabric Corp.	165	1,567	Fall River	Manuf.-Woven upholstery fabric
R & G Manufacturing	—	40	Amesbury	Manuf.-Woodworking
Ragamuffin Factory, Inc.	35	—	Housatonic	Manuf.-Clothing
Restmore Products/	30	40	Dracut/Brockton	Manuf.-Mattress Thera-A-Pedic Sleep
Restmore Sleep Prod.	17	35	Brockton	Manuf.
Schiffer	25	—	W. Springfield	Manuf.-Toothbrush
Schott Fiberoptics	—	40	Southbridge	Fiberoptics
Setra System	20	122	Acton/Brockton	Measuring Devices
Smith & Nephew Dyonics	—	350	Andover	Medical Device
Specific Surface	6	2	Hopedale	Environmental Controls
Spectacular Products	—	9	Tyngboro	Manuf./Distribution
Sterling Distribution	6	7	Uxbridge	Distributors
Sykes Enterprises	55	60	Lowell	Software Manuals
Technical Logistical	8	36	Uxbridge	Computers
Thermal Circuits	15	95	Salem	Manuf.-Heating Prod.
Upke Systems	1	—	Newton	Computer Hardware
W.A. Wilde Co.	150	300	Holliston	Direct Mail
Waters Chromatography, Inc.	50	990	Milford	Manuf.-Scientific Instruments
West Lynn Creamery	150	785	Lynn	Manuf.-Dairy products
Wire Techniques	10	25	Chelmsford	Cable Assembly
Wolf Coach	15	60	Shrewsbury	Telecommunications
Total	3,298	10,012		Total Companies: 70

STATISTICS: Third Quarter

TOTAL JOBS CREATED/RETAINED THROUGH MOBD EFFORTS:

Third Quarter FY 1996 - 1/1/96 to 3/31/96

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
A.S.E. Precision	2	17	Agawam	Manuf.-Machine Tools
Applied Fiberoptics/Venture Forum	—	70	Sturbridge	Manuf.-Fiberoptics
Boston Precision Parts	—	60	Readville	Manuf.
C.I.L., Inc.	24	30	Lawrence	Manuf.-Metal Andozing
Chips	7	14	Peabody	Manuf.-Semiconductor
Circuit Board Express	64	52	Haverhill	Manuf.-Circuit Board
Com Stow Info. Service, Inc.	5	6	Harvard	Software Service
Comet, Inc.	12	350	Chelmsford	Manuf.-Plastic Tableware
Data Guide Cable	20	100	Gardner	Manuf.
Devco	30	—	Millis	Manuf.
Duall Plastics, Inc.	13	—	Athol	Custom Plastic Extrusion
Dyna Bilt	—	70	Readville	Manuf.
Erving Paper Company	10	150	Erving	Manuf.-Paper
First Notice	300	—	Springfield	Telecommunication Services
Good Humor-Breyer's Ice Cream	—	80	Framingham	Food Processing
H.J. Fortin Supply, Inc.	—	6	Haverhill	Electrical Wholesale
Health Services of the Pines	5	10	Sudbury	Health Care
Hi-Tech Hose	10	23	Newburyport	Manuf.-hoses
Image Factor	13	12	Worcester	Manuf.
Interface Precision Benchworks (IPB)	3	34	Orange	Assembly
J.T. Manufacturing	4	7	Haverhill	Manuf.-Machinery/Metalwork
James Cowan & Sons	2	12	Worcester	Wholesale Distributor
Lam Research	100	200	Wilmington	Manuf.-Semiconductor Etchers
Marlboro Emergency Association	—	35	Marlboro	Health Care
Ninety-Nine West, Inc.	31	—	Salem	Restaurant
Pittsfield Mold & Tool	23	45	Pittsfield	Manuf.-Plastic Products
Production Tool & Grinding, Inc.	12	—	Orange	Manuf.-Production Tool
Production Tool & Grinding, Inc.	12	12	Orange	Precision Tool Cutter
Progress Pallet	15	30	Chelmsford	Manuf.-Wooden Pallets
Regal Fabrics	4	8	Middleton	Textile Distributor
Royal Oaks Country Club	10	—	Southbridge	Golf Course
Signature Bread	100	120	Medford	Food Processing
Sisson Engineering Corp.	4	—	Northfield	Manuf.-Precision Machining
Tops Electronic Service, Inc.	30	70	Haverhill	Electronics Repair Service
Tripod, Inc.	8	12	Williamstown	Software
Total	873	1,635		Total Companies: 35

STATISTICS: Fourth Quarter

TOTAL JOBS CREATED/RETAINED THROUGH MOBD EFFORTS:

Fourth Quarter FY 1996 - 4/1/96 to 6/30/96

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
4-Sight	6	—	Woburn	Software
Abco	15	—	Chatham	Tool & die company
Access Semiconductor	10	30	Beverly	Sales/Distribution Semiconductor Products
Adom Engineering	6	18	Haverhill	Manuf.-Machine Shop
Adtech	10	30	Lawrence	Manuf.-Electro Plating
AFC Cable Systems Inc.	35	400	New Bedford	Manuf.-Cable
AirXpert	n/a	n/a	Lexington	Environmental
Applied Fiberoptics	n/a	n/a	Sturbridge	Medical Instruments
ARC	5	15	Dennis	Aquaculture
Athol Table Manufacturing	7	—	Athol	Manuf.-Furniture
B & E Tool	29	—	Southwick	Metal Machining
BFI Waste Systems	42	131	Auburn	Recycling
BKC Semiconductors, Inc.	—	125	Lawrence	Manuf.-Semiconductor Products
Block N.E.	30	100	Worcester	Manuf.-Textiles
Blue Gold	10	70	New Bedford	Seafood
Bose Corp.	—	2000	Framingham	Manuf.-Specialty
Brewery on Martha's Vineyard	25	—	Oak Bluffs	Manufacturing
C-Map USA	16	—	Mashpee	Digital mapping
Cabot Corp.	50	300	Billerica	Manuf.-Chemical
Cape Cod Ice	2	10	Sandwich	Manufacturing
Cape Cod Potato Chips	—	120	Hyannis	Manuf.-Potato chips
CB Fiske	6	18	Gloucester	Manuf.- Organ Pipes
Cellini	n/a	n/a	Ludlow	Environmental
Circuit Repair	15	35	Haverhill	Manuf.-Circuit Boards
Colonial Wire/Cable	5	15	Leominster	Manuf.-Wire & Cable
Corp. Enviro. Advisors	10	20	W. Boylston	Environmental
Crescent Cardboard	24	—	Lenoxdale	Manuf.-Cardboard mat
D&D Custom Linocraft	2	8	Attleboro	Floor Covering
Decas Cranberries	35	35	Wareham	Agriculture
Edwards Hi-Vacuum	10	100	Wilmington	Manuf.-Vacuum Products
EF Centre	600	300	Cambridge	Educational Institution
Elwell Iron Works	10	33	Springfield	Manufacturing
Environmental Management Technologies	n/a	n/a	Milton	Environmental
Erie Plastics	70	—	Westboro	Manufacturing
Extraction Systems	25	—	Franklin	Manufacturing
Filter Clean, Inc.	n/a	n/a	Boston	Environmental

STATISTICS: Fourth Quarter (continued)

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
Foot Joy	–	200	Brockton	Manufacturing
Franklin Fixtures Inc.	20	25	Wareham	Manuf.-Wood
Freedam Cruise Line	12	–	Harwich	Ferry service
Frosty Mechanical	6	30	Pittsfield	Plumbing Contractor
Genetics Institute	60	–	Andover	Biotechnology
Genetics Institute	110	–	Cambridge	Biotechnology
Harvard Medical	n/a	n/a	Natick	Medical Instruments
Hostar	12	15	Wareham	Transportation
Hueson Corp.	5	–	Northbridge	Manufacturing
I-Squared Technology	150	95	Billerica	Manufacturing
Imunettics	5	7	Cambridge	Medical Device
Industrial Packaging	5	40	Worcester	Manufacturing
Intellitrans Consulting Co.	15	–	Boston	Services
Interface Precision Benchworks	5	–	Orange	Assembly & Packaging
Key Polymer/Advanced Resins	11	17	Lawrence	Manuf.-Specialty Adhesives
Kidder, Inc.	30	120	Agawam	Manufacturing
Kiefer & Veitinger Gmbh	20	–	Wellesley	Software
Kittredge & Sons	10	55	Hudson	Manufacturing
KMA Cabinets	25	35	Norwood	Wood Products
Komatsu Cutting Tech.	–	50	Wilmington	Manufacturing
Lacerta Group	10	30	Roxbury	Manufacturing
Lamson & Goodnow	25	61	Shelburne Falls	Manuf.-Cutlery
Lavigne Press	20	100	Worcester	Printing
Lunt Silversmiths	56	–	Greenfield	Silver Smithing
Mack Technologies	180	120	Westford/Marlboro	Manuf. Electronics/ Circuit Boards
Micro Photonics	6	4	Orange	Manuf.-Polarizer Film
Morin's Inc.	4	150	Attleboro	Catering
Nature's Path	5	–	Natick	Retail
Neon Technology	5	12	Chicopee	Manufacturing
New England Wire Assemblies	25	16	Salem	Manuf.-Electronics
Newfoil Machines Ltd.	8	–	N. Attleboro	Manuf.-Printing Machines
Niche, Inc.	20	–	Harwich	Manuf.-leather
O-A, Inv.	2	31	Agawam	Manufacturing
Open Link	n/a	n/a	Burlington	Software
PhysioMetrix	n/a	n/a	Billerica	Medical Instruments
Pixel Vision	n/a	n/a	Acton	Electronics
Plantation Products	15	27	Norton	Manufacturing
PLC Medical Systems	15	40	Franklin	Manufacturing
Pollak	–	650	Canton	Manufacturing
Pope, Inc.	–	67	Haverhill	Manuf.-Metal Machining

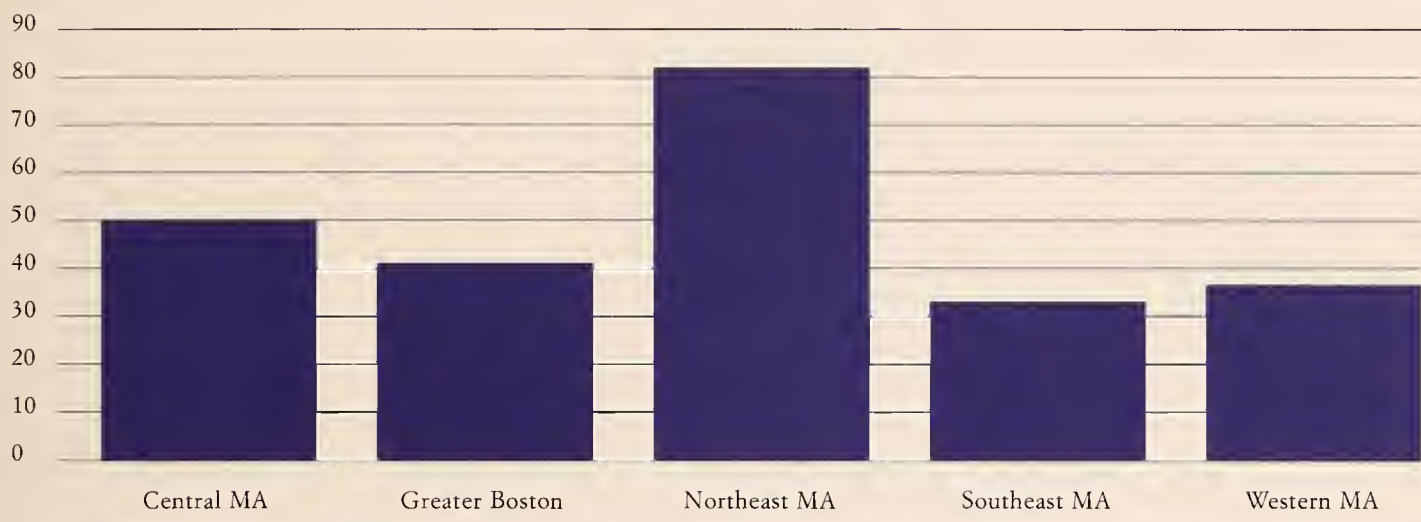
STATISTICS: Fourth Quarter (continued)

PROJECT/COMPANY	ESTIMATED JOBS CREATED	ESTIMATED JOBS RETAINED	CITY/TOWN	INDUSTRY
Prime Materials	5	3	Uxbridge	Distributor
Regal Fabrics	4	8	Middleton	Distribution-Textiles
Roslindale Sq. Cooperative Market	18	n/a	Roslindale	Cooperative
Rostie & Associates, Inc.	1	—	Burlington	Hi tech consulting
Saltus Press	20	65	Worcester	Printing
Saunders Consulting Group	2	—	Boston	Communications Consulting
School Specialties	50	68	Agawam	Distribution
Seperation Technologies	—	17	Methuen	Manuf.-Environmental Technology
SolmeteX, Inc.	n/a	n/a	Walpole	Environmental
Sovereign Hill Software	35	5	Amherst	Software
Spacetec, Inc.	100	50	Lowell	Manuf.-Software & Computer Peripherals
Specific Surface	n/a	n/a	Hopedale	Manuf.-Specialty
Springfield Smoked Fish	2	8	Springfield	Manufacturing
Stora	4	—	Boston	Paper products
StrategicIdeas.com	3	—	Franklin	Internet/Software
Techprint	25	100	Lawrence	Manuf.-Printing
The Codman Research Co.	35	—	Andover	Manuf.-Software & Services
The GEM Group, Inc.	60	190	Lawrence	Manuf.-Giftware Printing
Titleist Dartmouth	24	325	Dartmouth	Manufacturing
Titleist Fairhaven	10	55	Fairhaven	Manufacturing/Distribution
Trego	12	12	Wareham	Manufacturing
Triad Data, Inc.	200	—	Boston	Services
Unisyn Tech.	20	—	Worcester	Biotechnology
Urban Contamination, Inc.	n/a	n/a	Newton	Environmental
Vista Electronics	1	—	Boston	Manf.-Electronic Computer Components
Vivid Technologies	25	40	Woburn	Manuf.-Security Products
W.H. Bookwalter	6	7	Milford	Medical Instruments
Welch's	68	—	Billerica	Food Processor
Western Mass. Manufacturing	10	33	N. Adams	Manufacturing
Wirefab Inc.	20	86	Worcester	Manufacturing
Zildjian	15	85	Norwell	Manuf.-Specialty
Total	2,782	7,067		Total Companies: 107

STATISTICS: By Region

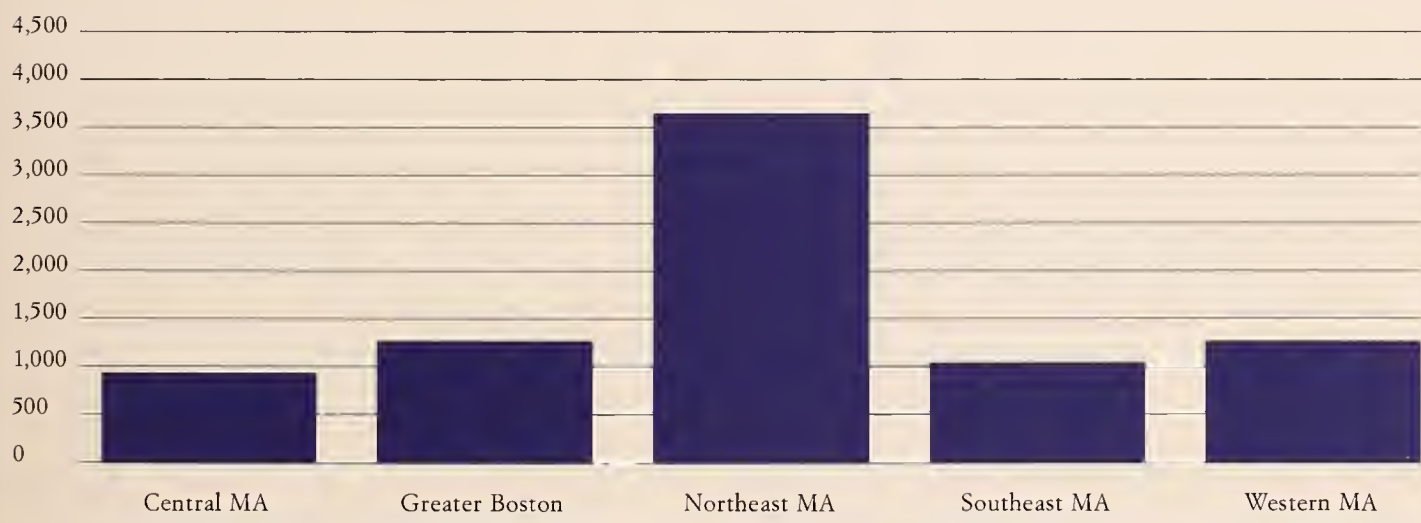
TOTAL NUMBER OF COMPANIES ASSISTED BY MOBD

FY 1996 - By Region



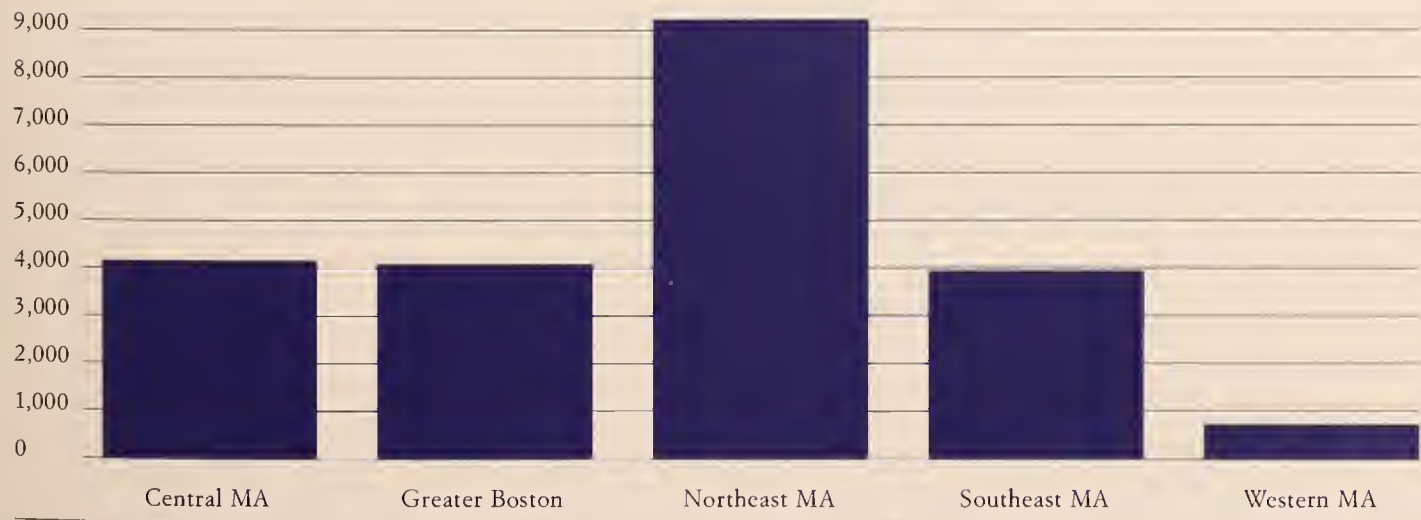
TOTAL JOBS CREATED THOUGH MOBD EFFORTS

FY 1996 - By Region



TOTAL JOBS RETAINED THOUGH MOBD EFFORTS

FY 1996 - By Region



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